Contingency Contracting Training

Types of Contingencies

Agile Contracting Support…Anytime… Anywhere

Overview

- Define and Explain contingency contracting
- Identify sources of guidance for performing contingency contracting
- Compare the various types of contingencies
- Explain the 4 phases of contracting support
- Discuss waivers and deviations authorized
- Illustrate expedited contracting procedures

Definition of a Contingency

- An emergency involving military forces caused by natural disasters, terrorists, subversions, or by required military operations (JP 1-02)

Declared vs Non-Declared Contingencies

- Declared Contingency
  - Declared by the President or Congress
  - Designated by Secretary of Defense
  - Invokes 10USC 2302(7) SAT to $1M
    - Contracting outside US in support of contingency
- Non-Declared Contingency
  - Direct contracting support to tactical and operational forces engaged in the full spectrum of armed conflict and MOOTW, both domestic and overseas

Indentify Sources of Guidance for Performing Contingency Contracting

Sources of Guidance

- AFARS Manual No. 2
- AFARS Appendix CC
- NavSup Instruction 4230.37A
- NavSup Pub 713
- MCO P4200.15, Appendix B
- DLA Directive 5000.4, Part II Chapter 12
  - (not in your reference book)

Compare and Contrast the Various Types of Contingencies That DoD Contracting Organizations Support

Types of Contingencies

- Major Theater War (MTW)
- Smaller-Scale Contingencies (SSC)
- Military Operations Other Than War (MOOTW)
- Domestic Disaster / Emergency Relief
- Exercises:
  - Not “declared” contingency
  - National interests not at stake
  - Sense of Urgency and mission pressure is <u>real</u>
  - No special relief from laws, regulations given

Mature vs Immature Theater

- Where would you find it more difficult to conduct contracting operations?
  a) Bosnia
  b) Central America
  c) Saudi Arabia
  d) Somalia

Mature vs Immature Theater

- Factors:
  - Infrastructure
  - Distribution system
  - Vendor base
  - Vendor experience

Explain the Four Typical Phases of Contracting Support During Contingencies

Phases of Contingencies

- Four phases:
  - Mobilization / Initial Deployment
  - Build-Up
  - Sustainment
  - Termination/Redeployment

Initial Deployment

- Support Requirements:
  - Responsiveness (#1 priority)
    - Initial focus on personnel support requirements
      - Food, water, billeting, transportation
    - Allow units to see critically short airlift on wartime capability munitions, personnel, airlift spares

Initial Deployment

- Responsibilities:
  - Contracting may be initially responsible for:
    - Establishing requirements
    - Writing specifications / statement of work
    - Receipt / delivery of items
    - Paying agent duties

Initial Deployment

- Contractual Methods
  - SF 44 and cash
  - Blanket Purchase Agreements
  - Limited use of:
    - Purchase orders
    - Imprest fund
    - Third party drafts
    - GCPC

Build-Up

- Types of Requirements
  - Construction supplies and services
  - Office equipment / furniture
  - Quality of life / MWR items
  - Requisition controls
  - Purchasing methods
  - Funding reimbursements

Sustainment

- Types of items / services
- Requirement consolidation
- Establish long term contracts
- Establish procedures to acquire items outside AOR
- Development of 24-hour source list

Termination / Redeployment

- Personnel support contracts
- Contract closeout
- Contract reporting / file documentation
- Transition to follow-on forces
- AAR / lessons learned

Contracting During Hostilities

- Contractor shortcomings
  - Personnel may refuse to work
  - Service contractor restricted from base
    - Due to terrorist threat
- CCO constraints
  - CCOs restricted to base, purchases made by phone
  - Limited buying time-contractors closed after dark
  - Contractors demand “cash and carry”
- Interface with Intel to determine threat

Discuss Waivers / Deviations and Explain Expedited Contracting Procedures in Contingency Operations

Waivers and Deviations

- Assumptions:
  - Regulatory / statutory requirements relaxed
  - All requirements are urgent, high priority
  - Deployed CCOs will have requisite authority to perform assigned mission
  - Additional authority / responsibility can be delegated (if you ASK!)

Limitations

- Cost-Plus-Percentage-Of-Cost
- Applicable Agreements
  - Host Nation
  - Inter-service Support
  - Status of Forces
  - Treaties
  - Combatant Commanders (CINC) General Orders

War and Emergency Legislation

- Temporary emergency procurement authority (impact expired end of 2003)
- Homeland Security Act
  - Micro purchase impact
  - SAT impact

War and Emergency Legislation

- DPA of 1950 / Defense Priorities & Allocation System (DPAS)
  - Rated orders, US Ktr's only (DX, DO, and unrated)
  - Contracts in support of rated weapon systems carry "rating" of the program
  - CCOs will be 99.9% unrated contract actions

Existing Authority to Expedite Contracting Actions

- Issuing synopses (FAR 5.202)
- Limiting sources (FAR 6.302-2,-4)
- Commercial items (FAR Part 12)
- Increased SAT (DFARS 213)
- Using oral solicitations (FAR 13.106, and 15.203(f))
- Awarding letter contracts (DFAR 217.74)
- Waiving bid bonds (FAR 28.101-1) and payment & performance bonds (FAR 28.102-1)
- Award prior to resolution of protest (FAR 33.104)

Additional Authority to Request

- Leave above CCO
- COCO authority from PARC (Army), O2 (Navy), and LGC (AF)
- Appointment of OOs
- Approval of J & As
- Entering letter contracts
- Reappointment of Kos
- One-Time deviations from FAR

Exemptions for Foreign Acquisitions

- Subject to:
  - Awarded in foreign country
  - To foreign vendor
  - For performance / delivery in foreign country
- Exempt from most U.S. Socio-Economic Laws
- Caveats!

Clinger – Cohen Act (FARA)

- J & A thresholds
- Posting threshold for actions under SAT
- $5M SAT for commercial items
- Clarification of micro-purchase authority

Summary

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